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December 17, 2003

Mr. Thomas M. Dorman
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

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PUBLIC SERVICE
COMMISSION

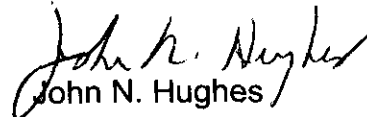
Re: Case No. 2003-00224

Dear Mr. Dorman:

Attached are Northern Kentucky Water District's responses to the Commission's and Attorney General's data requests.

If there are any questions about this, please contact me.

Very truly yours,


John N. Hughes

Attorney for Northern
Kentucky Water District

Attachments

Cc: Attorney General

Northern Kentucky Water District

**Responses
To
Data Request**

**From
Public Service Commission**

Date 12-3-2003

Filed 12-17-2003

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE
COMMISSION

In the Matter of:

COMMISSION STAFF'S SECOND SET OF INTERROGATORIES AND
REQUESTS FOR PRODUCTION OF DOCUMENTS TO NORTHERN
KENTUCKY WATER DISTRICT

Pursuant to Administrative Regulation 807 KAR 5:001, Commission Staff requests that Northern Kentucky Water District ("Northern District") file the original and 8 copies of the following information with the Commission no later than December 17, 2003 with a copy to all parties of record. Each copy of the information requested shall be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention shall be given to copied material to ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be provided for total company operations and jurisdictional operations, separately.

Q1. Refer to page 5 of Exhibit J, Pro Forma Financial Statements for the ProForma Year May 31, 2003. Provide a detailed pro forma income statement using Format 1 attached hereto.

A1. Witness: Sparrow, See tab 1

Q2. Refer to Northern District's response to Item 10(d) of Commission Staff's Second Set of Interrogatories and Requests for Production of Documents ("Second Set of Interrogatories").

Q2a. In its response, Northern District states that its data base administrator was replaced on June 30, 2003. Provide the following monthly premiums for the new data base administrator: health insurance less the employee portion, life insurance, and dental insurance.

AQ2a.Witness:Barrow.

Health	Life	Dental
\$274.03	\$12.40	\$15.00
\$283.17	\$12.00	\$15.00
\$274.03	\$12.00	\$15.00
\$274.03	\$12.00	\$15.00
\$274.03	\$12.00	\$15.00

\$274.03

\$12.00

\$15.00

Total \$1,800.72

AQ2b. If the payroll clerk is replaced prior to the issuance of a final Order in this proceeding, provide the hourly wage rate and the monthly premium information requested in 10(a).

A2b. Witness: Barrow. NO, not at this time. Estimating to be refilled in early summer.

Q3. Refer to Northern District's response to Item 10(e) of the Second Set of Interrogatories.

Q3a. For each new employee listed in the response, provide the information requested in the schedule attached hereto as Format 3(a).

A3a. Witness: Barrow. Please see Tab 3.

Q3b. If Glenda Carmack's or Mike Post's positions are filled prior to the issuance of a final Order in this proceeding, provide the information requested in Format 3(a).

A3b. Witness: Barrow. No, not at this time. Estimating sometime in early summer.

Q4. Refer to Northern District's response to Item 13(a) of the Second Set of Interrogatories.-2-Case No. 2003-00224

Q4a. Provide the amount of the pollution insurance premium that was expensed in 2003.

AQ4a. Witness: Barrow The amount was provided behind tab 7E of the PSC questions dated October 1, 2003.

Q4b. Provide a copy of the Workers Compensation premium invoice for the policy period of January 1, 2003 through December 31, 2004 when Northern District has received it.

A4b. Witness: Barrow We will provide the invoice January 1, 2004 to December 31, 2004 as soon as we receive it. We have already provided January 1 2003 to December 31, 2003 behind tab 7E of the PSC questions dated October 1, 2003.

Q4c. Provide a copy of the automobile insurance premium invoice for the

policy period of January 1, 2003 through December 31, 2004 when Northern District has received it.

A4c. Witness:Barrow. We will provide the invoice January 1, 2004 to December 31, 2004 as soon as we receive it. We have already provided January 1 2003 to December 31, 2003 behind tab 7E of the PSC questions dated October 1, 2003.

Q4d. Provide a copy of the general liability/other premium invoice for the policy period of January 1, 2003 through December 31, 2004 when Northern District has received it.

Q4d. Witness:Barrow. We will provide the invoice January 1, 2004 to December 31, 2004 as soon as we receive it. We have already provided January 1 2003 to December 31, 2003 behind tab 7E of the PSC questions dated October 1, 2003.

Q4e. Provide a copy of the pollution premium invoice for the policy period of January 1, 2003 through December 31, 2006 when Northern District has received it.

A4e.Witness:Barrow. We will provide the invoice January 1, 2004 to December 31, 2006 as soon as we receive it. We have already provided January 1 2003 to December 31, 2003 behind tab 7E of the PSC questions dated October 1, 2003.

Q5. Refer to Northern District's response to Item 14(a) of the Second Set of Interrogatories. Provide the information requested in the following table for the calendar years 1998 through 2002.

A5. Witness-Barrow. See below table.

Year	Tap-on Fees Collected	Capitalized Cost of Meter Installation	Net Amount Available for Debt Service
1998	Not available due to accounting software change in 1998		
1999	\$ 646,614	\$ 615,882	\$ 30,832
2000	\$ 600,976	\$ 768,927	\$ (167,951)
2001	\$ 564,413	\$ 542,480	\$ 21,933
2002	\$ 550,783	\$ 367,962	\$ 182,821

Q6. Refer to Northern District's response to Item 15(c) of the Second Set of Interrogatories.-3-Case No. 2003-00224

Q6a. Explain why Northern District proposes to refund its surcharge

collections through December 31, 2002 if the Commission requires surcharges for Sub-District A, Sub-District B, and Sub-District C (collectively "Sub-District Surcharges") to be rolled into the general rates.

A6a. Witness: Harrison. If the Commission revokes its prior authorization for the creation and operation of these sub-districts, Northern Kentucky believes that the only equitable, non-discriminatory way to do so is to refund prior surcharge collections. Should the Commission require surcharges to be rolled into general rates, it is not equitable for future customers in these sub-district areas to get a free extension when the customers that made the extension possible had to pay a surcharge. In addition, it is not equitable to all other District customers who had to pay for the extension of the main necessary to serve their houses through any method such as the 50 ft. method, assessments and subdivisions to require them to also pay the entire amount of these extensions. The District anticipates major objections from existing customers if the Commission requires them to pay for the entire of cost of these extensions when they had to also bear the cost of the extension that serves their property.

Q6b. If the Commission requires Northern District to cease collecting the Sub-District Surcharges as of the date of the Order and to use the amounts collected to that date for debt payments, what would be the impact to the base rates?

A6b. Witness: Howe. Assuming the "date of the order" reflects the assumptions in this rate case and that surcharge revenues totaling \$495,604 (Schedule 5R) are the amount that would no longer be collected; total revenue requirements would increase by \$495,604 and the new volume rates would be

First 15 ccf	\$2.69 per ccf
Next 1,635 ccf	\$2.40 per ccf
Over 1,650 ccf	\$2.20 per ccf
Wholesale	\$1.89 per ccf

Q7. Refer to Northern District's revised Cost-of-Service schedules provided in the response to Item 15(c) of the Second Set of Interrogatories, Tab 15(b).

Q7a. Provide all schedules in Exhibit N, Cost of Service Allocations and Billing Analysis, Appendix C (Revised) on a computer disk in Microsoft[®] Excel 97 format.

A7a. Witness: Howe. Please see the provided CD behind Tab 7.

Q7b. Provide a listing of all adjustments made to each schedule based on responses to Staff's interrogatories, the AG's interrogatories or Northern District's adjustments to the schedules (for errors or other necessary changes).

A7b. Witness: Howe. In Petitioner's Response to the PSC's October 28, 2003, Petitioner provided a cover sheet for Revised Appendix C. This sheet summarizes the changes made to the Schedules and provides an estimate of the impact, if any, to the cost-of-service. In the event that the PSC did not receive this cover sheet, it is provided below.

Line No.	Schedule	Modification Made	Impact on Proposed Rates
1	3R	a. Existing Debt Service has been updated to reflect proposed refunding schedule submitted in Petitioner's Application 2003-0404.	Average decrease of \$73,000 partially offset by (c).
2		b. Heading for Proposed Debt has been changed to reflect new title.	No impact
3		c. Proposed Debt Service for 2003 has been corrected to reflect full year's interest accural.	Increases average debt service by \$42,600.
4	3.1R	a. Shift in Central Facility timing to 2005.	No impact
5	3.2R	a. Accrued total for 2003 corrected.	See Line 3 comment.
6	5R	a. 2002 and Test Year amounts for Surcharge Revenues corrected.	Decreases requested revenue increase 1 percent.
7	7R	a. Reclassification of all Bromley consumption and revenues to the Retail Class.	No impact on proposed rates.
8	12R	a. Correction in Max Hour factor applied to Lines 80 through 130.	Cost distribution under CTA Max Hour increases 1.1 percent.
9		b. Customer Service - General considered part of General & Administrative.	Cost distribution under Billing category decreases 2.4 percent.
10	13.3R	a. Reclassification of all Bromley consumption	See Line 7.
11	15R	a. Reallocation of Private Fire Protection costs.	Negligible impact.

Q7c. Note with each adjustment the reason and the subsequent schedules that are affected by each change.

A7c. Witness: Howe. Please see Petitioner's Response to 7(b).

Q7d. Do the revised Cost-of-Service schedules reflect rolling the Sub-District Surcharges in to the general rates?

A7d. Witness: Howe. No.

Q7e. Provide revised Cost-of-Service schedules that reflect rolling the

Sub-District Surcharges in to the general rates assuming that there in no required customer refund and Northern District does not incur additional debt. Also, provide the information in a spreadsheet on a computer disk in Microsoft[®] Excel 97 format.

A7e. Witness: Howe. Please see the provided CD.

Q8. Refer to Northern District's supplemental response to Item 38(e) of the Attorney General's ("AG") First Set of Interrogatories dated October 27, 2003. Provide a detailed written explanation to clarify the portion of the response that states "...and cost plus 10% for all service sizes over 1." Include in the response how this complies with 807 KAR 5:006 Section 8. Special Charges.

A8. Witness: Barrow. The District's filed and approved tariff calls for new and renewal service tap costs to be as follows; ¾" - \$750.00, 1" - \$1,100.00, and size over one inch is billed at cost plus ten percent. Please refer to page 14 of our current tariffs on file with the commission for reviewed and approved charges. In my previous response I referred to it as cost plus 10%, which is what we call our invoice billing policy for work done by District personnel. For the actual policy on calculating the cost of services larger than 1", please refer to page 14 of our approved filed tariffs.

Q9. Refer to Northern District's supplemental response to Item 43(d) of the AG's First Set of Interrogatories dated October 27, 2003. Provide all work papers, documents and assumptions used to support Northern District's customer estimate.

A9. Witness: Barrow. There are no work papers. When the District purchased the City of Bromley there were no meter books. A District staff member went to the city and hand copied the billing record accounts and entered the data into the District's billing computer. At that time of transfer of data, there were approximately 350 accounts. The number may vary by five or ten people according to move ins and move outs at the time of take over.

Q10. Refer to Northern District's response to Item 16 of the Second Set of Interrogatories. The descriptions provided in the response did not adequately describe the services provided. For each item listed in the table below, provide a complete and detailed description of the engineering service provided. Also state if the service will be required to be performed in the future and the expected date the service will be required to be performed.

	Vendor	Original Description
a.	Black and Veatch	Ft. Thomas Reservoir Sludge
b.	Black and Veatch	Taylor Mill UV Evaluation
c.	Black and Veatch	Sodium Hypochlorite – Newport
d.	Humpert Wolnitzek Arch.	Cincinnati Gear Building Estimate
e.	Black and Veatch	Cost Opinion New Port facility
f.	Quest Engineers, Inc.	Polymer feed evaluation
g.	Quest Engineers, Inc.	Acid feed evaluation
h.	Woolpert	Draft RFP, Review and comment
i.	Black and Veatch	Master Plan Addendum

A10a. Witness-Joslyn. Northern's two reservoirs at the Fort Thomas

Treatment Plant have not been cleaned since the early 1960's when regulations were enacted that prohibited the discharge of sludge into the adjoining creek. Over the past several years, Northern has seen complications in both operation and water quality due to the continually increasing level of solids in the two reservoirs. According to Black & Veatch's calculations, there are approximately 3,745 tons of solids in the two reservoirs.

In the most recent diving inspection, the diving service found that the solids level had accumulated to a depth approximately 10 feet above the intake which supplies water to the water treatment plant. Since then, the intake has been kept unobstructed by periodically clearing the area around the intake and creating a "crater" in the solids layer in the reservoir.

In summer months, the plant has experienced water quality problems with manganese due to the accumulation of solids in the two reservoirs.

The Fort Thomas Treatment Plant staff use a dredge that was recently purchased to remove sludge from the reservoirs. In this study, Black & Veatch used the estimated amount of solids and the treatment capacity of the dredge to ascertain whether or not the existing dredge is capable of removing the solids in the reservoirs.

Black & Veatch concluded that the dredge is capable of removing the solids in the reservoirs and that with 32 hours per week of continuous operation, it would take 18 months to completely remove the accumulated solids in the two reservoirs.

Additional studies by Black & Veatch are not expected to be necessary on this project.

A10b. Witness-Joslyn. In 2001, Northern commenced a project to evaluate UV as an additional disinfectant at the Taylor Mill Treatment Plant. UV was seen as a possible answer to several problems at the plant: the inability to meet CT (contact time) regulations during certain times of the year, the poor source water quality of the Licking River and anticipated future difficulty to meet disinfection by-product regulations due to the need to feed high levels of chlorine.

This project evaluated UV manufacturers based on suitability for retrofitting in the plant and the cost of operations and maintenance and chose a vendor for a pilot plant. The pilot study was conducted for approximately 1 year at which time Northern installed a more technologically advanced pilot unit from another manufacturer and continued the pilot study for another year. Just completed in October, the UV pilot study showed that UV was a viable technology that could assist Northern in meeting current and future regulatory requirements.

Additional studies on UV are not expected to be conducted in the near future. Once the new drinking water regulations are finalized, Northern may opt to include UV in its treatment strategy.

A10c. Witness-Joslyn. In December, 2002, Northern engaged Black & Veatch to provide recommendations and guidelines for the conversion of the disinfection system at the Memorial Parkway Treatment Plant (formerly Newport Water Works) from gaseous chlorine to liquid sodium hypochlorite. Based on the dangers associated with compressed chlorine gas, Northern converted its two other treatment plants and 5 distribution pumping stations from gas to liquid chlorine between 1997 and 1999.

Northern intended to construct a "temporary" liquid sodium hypochlorite feed system to replace the existing gaseous chlorine system. A more permanent feed system would be installed with either the renovation of the existing chemical building or the construction of a new chemical building sometime within the next 5 years.

The report provided guidance to Northern regarding the installation of five storage tanks and four metering pumps in the basement of the existing chemical building. The report also provided guidance on tank and pump specifications, and plumbing and electrical specifications.

Northern constructed this project in 2003 and the new liquid feed system will go on-line permanently in January, 2004 at which time all gaseous chlorine will be removed from the property.

It is not foreseen that any future studies will need to be conducted on this project.

A10d. Witness-Harrison. The District engaged Humpert Wolnitzek Arch. To perform a review of the Cincinnati Gear Building's ability to meet the District's Space Needs and to estimate remodeling costs to incorporate the District's Space Needs into this facility. This service should not have to be performed in the future if the District closes on the Gear facility.

A10e. Witness-Joslyn. Black & Veatch was engaged by Northern in July, 2002 to provide a Condition and Capacity Evaluation Update and Recommendations on the Newport Waterworks Treatment Plant (currently called the Memorial Parkway Treatment Plant). A similar study was first conducted by Black & Veatch in 1999 when Northern was investigating the purchase of the Newport Waterworks. The 2002 document reviewed those recommendations that Black & Veatch suggested in the 1999 evaluation, and identified continuing or new recommendations and observations that were deemed to be essential improvements to the facility for it to continue to operate safely and at its highest efficiency.

It is not foreseen that any future studies will be needed on this project as the report recommendations have been addressed either through subsequent work or have been included in future budgets.

A10f. Witness-Joslyn. Quest Engineers Inc. was engaged by Northern in July, 2002 to evaluate the existing Actiflo polymer preparation system at the Memorial Parkway Treatment Plant (formerly the Newport Waterworks and to provide recommendations to increase reliability. The existing polymer feed system was problematic in that there was no equipment redundancy, bushings in the augering system needed to be replaced, and the dosing pump inlet and mixing chamber piping tended to become clogged with the polymer solution is not activated properly.

Quest Engineers recommended the installation of a second polymer feed system that would provide redundancy and increased reliability. A second polymer feed system was included in the operating capital budget and the system was procured. This project is being installed at this time and is expected to be on-line in early January, 2004.

No additional studies on this project are foreseen.

A10g. Witness-Joslyn. Quest Engineers Inc. was engaged by Northern in July, 2002 to evaluate the addition of an acid to the treatment process at the Taylor Mill Treatment Plant in order to reduce the plant effluent pH and thereby lower disinfection by-products.

The new chemical building that was constructed in 1997 included the space and equipment to feed caustic soda, a chemical that is used to raise the pH in treated water. In 1999, the plant's source water the Licking River inexplicably increased in pH by as much as 0.4 pH units, leading to an increase in disinfection by-products leaving the plant. The higher pH stayed consistent through 2002 when Northern elected to investigate measures to lower the pH in order to decrease the disinfection by-products.

Quest Engineers Inc. researched the caustic tank materials and associated feeders and plumbing and made recommendations on changes that were required in order to feed an acid. Additionally, Quest researched which acid was most successfully used in water treatment to ensure effectiveness with regards to staff safety.

This project has not yet been completed. Within the last 6 months, the Licking River has displayed inconsistency in pH levels which have caused Northern to put this project on hold until the proper course of action can be ascertained.

A10h. Witness-Harrison. The District engaged Woolpert to review the District's RFP for asset management and provide suggestions for modification prior to the RFP's completion. The District does not anticipate this service being repeated until the next update for asset management is completed. It is anticipated that this will occur every 4 to 5 years.

A10i. The District engaged Black and Veatch to update its master plan to include the Newport distribution system's hydraulics and needed improvements. This may be repeated in the future if additional systems are acquired. In general the master plan is updated every 4 to 5 years.

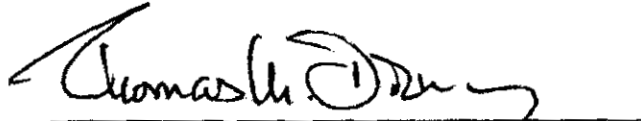
Q11. Identify all costs associated with the Asset Management Program that have been recorded as an expense in the test period. In the response provide the expense account, vendor, and amount.

A11. Witness:Barrow There were no costs associated with the Asset

Management Program during the test period. The program and associated bill payments were not made until after May 31, 2003.

Q12. Refer to Northern District's responses to Item 17(a) and 17(b) of the Second Set of Interrogatories. Using the table below, provide a breakdown of legal fees recorded in these expense accounts.

Description	Account No. 633-8000-079	Account No. 633-8000-078
Rate Case – Case No. 2002-00105	None	None
Rate Case – Case No. 2003-00224	None	None
City of Newport Acquisition	None - Capitalized	None - Capitalized
City of Bromley Acquisition	\$1,978.00	None
City of Taylor Mill Acquisition	None	None



Thomas M. Dorman
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, Kentucky 40602

Dated: December 3, 2003

cc: Parties of Record

Format 1

Northern Kentucky Water District Case No. 2003-00224 Comparative Income Statement For the Year Ended December 31, 2002			
Account Titles (a)	Actual Operations (b)	Pro Forma Adjustments (c)	Pro Forma Operations (d)
Operating Revenues:			
Sales of Water:			
Metered Water Sales - Retail	\$	\$	\$
Bulk Sales			
Sales for Resale Total Sales of Water			
Other Operating Revenues	\$	\$	\$
Fire Protection:			
Private Fire Protection	\$	\$	\$
Miscellaneous – Fire Hydrants Total Fire Protection	\$	\$	\$
Forfeited Discounts			
Rents from Water Property			
Meter Tests			
Returned Check Charges			
Turn-on Fees			
Surcharge Revenues Total Other			
Operating Revenues Total Operating	\$	\$	\$
Revenues Operating Expenses:	\$	\$	\$
Operation & Maintenance:			
Salaries & Wages - Employees	\$	\$	\$
Salaries & Wages - Commissioners			
Employee Pension & Benefits			
Purchased Water			
Purchased Power			
Chemicals			
Materials & Supplies			
Contractual Services - Eng.			
Contractual Services - Acct.			
Contractual Services - Legal			
Contractual Services - Management			
Contractual Services - Other			
Rental – Equipment			

Transportation			
Insurance – Vehicle			
Insurance - Gen. Liability			
Insurance – Workers Comp.			
Insurance – Other Advertising			
Amortization - Rate Case Expense			
Regulatory Commission Exp/Other Bad			
Debt Miscellaneous Adjustment - Boone			
& Florence Loss			
Total Operation & Maintenance	\$	\$	\$
Depreciation Taxes Other Than Income			
Utility Operating Expenses	\$	\$	\$
Net Utility Operating Income	\$	\$	\$
Other Income & Deductions: Interest &	\$	\$	\$
Dividend Income Miscellaneous Income			
Boone & Florence Reserve Boone &			
Florence Termination Payment			
Total Other Income & Deductions	\$	\$	\$
Net Income Available for Debt Service	\$	\$	\$

Format 1 Case No. 2003-00224

Format 3(a)

Northern Kentucky Water District Case No. 2003-00224 New Employee Information						
Employee Name (a)	Date of Hire (b)	Date of Termination (c)	2003 Test Period/Current Base Rates (d)	Monthly Health Insurance		Monthly Ins.
				Premium (e)	Portion (f)	Premium (g)
Doug Webb						
Chris Wetherell						
Dave Miller						
Jason Miller						
Frank Armstrong						

Debbie Kircher						
Chuck Leach						
Chris Couch						
David Courtney						
Denise Manning						
Jessica Schlimm						
Chris Lawson!						

Northern Kentucky Water District
Case No. 2003-00224
Comparative Income Statement
For the Year Ended May 31, 2003

Rate cas # 2003-00224
Question 1
Witness: Sparrow

Account Titles (a)	Actual Operations (b)	Pro Forma Adjustments c	Pro Forma Operations (d)
Operating Revenues:			
Sales of Water			
Metered Water Sales - Retail	21,915,174	2,344,675	24,259,849
Bulk Sales	5,381	-	5,381
Sales for Resale	5,070,958	-	5,070,958
Total Sales of Water	26,991,513	2,344,675	29,336,188
Other Operating Revenues			
Fire Protection:			
Private Fire Protection	56,361	-	56,361
Miscellaneous - Fire Hydrants	21,535	-	21,535
Total Fire Protection	77,896	-	77,896
Forfeited Discounts	393,977	-	393,977
Rents from Water Property	356,304	-	356,304
Meter Tests	10,050	-	10,050
Returned Check Charges	16,432	-	16,432
Turn-on Fees	225,413	-	225,413
Surcharge Revenues	-	-	-
Total Other Operating Revenues	1,157,968	-	1,157,968
Total Operating Revenues	28,149,481	2,344,675	30,494,156
Operating Expenses:			
Operation & Maintenance			
Salaries & Wages - Employees	6,450,303	263,350	6,713,653
Salaries & Wages - Commissioners	36,000	-	36,000
Employees Pension & Benefits	1,585,314	121,030	1,706,344
Purchased Water	30,008	-	30,008
Purchased Power	2,337,696	-	2,337,696
Chemicals	933,617	-	933,617
Materials & Supplies	1,446,164	-	1,446,164
Contractual Services - Eng.	150,421	-	150,421
Contractual Services - Acct.	15,000	-	15,000
Contractual Services - Legal	142,400	-	142,400
Contractual Services - Management	-	-	-
Contractual Services - Other	3,369,276	-	3,369,276
Rental Equipment	14,385	-	14,385
Transportation	235,665	-	235,665
Insurance - Vehicle	67,576	13,544	81,120
Insurance - Gen. Liability	205,765	31,558	237,323
Insurance - Workers Comp.	198,853	(44,417)	154,436
Insurance - Other	61,520	38,858	100,378
Advertising	4,489	-	4,489

Amortization - Rate Case Expense	-	90,355	90,355
Regulatory Commission Exp./Other	43,066	-	43,066
Bad Debt	162,811	-	162,811
Miscellaneous	97,016		97,016
Adjustment - Boone & Florence Loss	-		-
Total Operation & Maintenance	17,587,345	514,278	18,101,623
Depreciation	4,768,389	(115,860)	4,652,529
Taxes other than Income	470,170	24,904	495,074
Utility Operating Expenses	22,825,904	423,322	23,249,226
Net Utility Operating Income	5,323,577	1,921,353	7,244,930
Other Income & Deductions			
Interest & Dividend Income	984,428	-	984,428
Miscellaneous Income	204,222	-	204,222
Boone & Florence Reserve	-	-	-
Boone & Florence Termination Payment	685,842	-	685,842
Amortization of Debt Discount & Expense	552,153	-	552,153
Total Other Income & Deductions	1,322,339	-	1,322,339
Net Income Available for Debt Service	6,645,916	1,921,353	8,567,269

<div> <div>Northern Kentucky Water District</div> <div>Case No. 2003-00224</div> <div>New Employee Information</div> </div> <div> <div>Rate Case # 2003-0224</div> <div>Question 3a</div> <div>Witness:Barrow</div> </div>							
Employee Name (a)	Date of Hire (b)	Date of Termination (c)	2003 Test Period/Current Base Rates (d)	Monthly Health Insurance		Monthly Life Ins Premium (g)	Monthly Dental Ins Premium (h)
				Premium (e)	Employee Portion (f)		
Doug Webb	11/2/2000		6/1/02-12/31/02 -13.88 1/1/03-5/31/03 -14.23	738.81 876.89	101.59 120.57	7.25 7.50	 43.25
Chris Wetherell	5/6/1991		6/1/02-12/31/02 - 21.81 1/1/03-5/31/03 - 23.34	415.58 493.25	36.94 43.84	10.50 12.25	 43.25
Dave Miller	2/13/1989		6/1/02-12/31/02 -19.64 1/1/03-5/31/03 -20.52	738.81 876.89	101.59 120.57	10.25 10.75	 43.25
Jason Miller	7/17/2000		6/1/02-12/31/02 -14.17 1/1/03-5/31/03 - -16.45	--- ---	--- ---	7.50 8.75	 22.97
Frank Armstrong	10/7/2002		13.50	274.03	---	7.25	22.97
Debbie Kircher	1/6/2003		15.25	274.03	---	8.00	22.97
Chuck Leach	2/10/2003		18.00	876.89	120.57	9.50	43.25
Chris Couch	3/10/2003		10.12	274.03	---	5.50	22.97
David Courtney Current Rate-not in Test Period	6/16/2003		13.50	274.03	---	7.25	22.97
Denise Manning Current Rate-not in Test Period	6/16/2003		11.50		---	6.00	---
Jessica Schlimm Current Rate-not in Test Period	6/23/2003		10.12	274.03	-	5.50	22.97
Chris Lawson Current Rate-not in Test Period	10/7/2003		10.12	274.03	-	5.50	22.97